

*Connecticut Insurance and Financial Services Cluster*

**Statement on Behalf of  
Connecticut's Insurance and Financial Services Cluster**

Regarding

**Senate Bill 582: AA Creating a Stronger State Economy and Better  
Business Climate**

**Senate Bill 968: AAC An Expansion of the Job Creation Tax Credit**

Commerce Committee

February 24, 2009

Connecticut is known for its highly skilled, educated and loyal workforce. We have a great quality of life, first-class cities and we are host to some of the largest of insurance and financial services [IFS] companies in the U.S.

Today, however, we grapple with a global economic recession and the insurance and financial services industry is in crisis mode. The markets continue to display stress and businesses are failing. It is hard to think of creating positive tax policy during this time of fiscal recession, but this is exactly what we need to do. It is vital that we take action that positions Connecticut for the economic recovery that is forthcoming. We must implement tax policies that will begin to stimulate the Connecticut economy now and in the future so that we can continue to compete for new jobs and business.

A recent *Wall Street Journal* article, dated February 4, 2009, reported that Kansas, Missouri, Colorado and Minnesota have strengthened their jurisdictions for positive growth in times of dire economic change by proposing tax breaks and subsidies. They understand that creating financial incentives is the stimulus that resonates with business. These states are considered our global competitors. They have taken action and have already received national recognition for their efforts. What action are we taking?

As a former corporate real estate executive responsible for making site location decisions on behalf of a Fortune 100 company, I can also attest to the value of tax credits in the analysis of where a company may choose to expand or relocate. Tax credits are frequently weighted in the due diligence process and can have a detrimental impact on whether a state or location makes the 'short list.' Tax credits offer a positive competitive advantage and will ensure that Connecticut competes for business.

Aetna  
AXA-Equitable  
ConnectiCare  
Department of Economic &  
Community Development  
GlobeOp Financial  
The Hartford Financial  
Services Group  
Hartford Steam Boiler  
Inspection & Insurance  
Company/AIG  
ING Group  
InSource, LLC  
Insurity  
KPMG  
MassMutual Financial  
Group  
MetLife  
MetroHartford Alliance  
NewAlliance Bank  
Northeast Utilities  
People's United Bank  
The Phoenix Companies  
PricewaterhouseCoopers  
Prudential  
Savings Bank Life  
Insurance  
Sovereign Bank  
Sun Life Financial  
TD Banknorth  
Travelers Companies  
UBS Wealth Management  
UnitedHealth Group  
United Illuminating  
Webster Bank  
XL Insurance

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We are in a world of change and the IFS industry is evolving daily. Technology solutions are being created, new products for today's investors are in development, and creativity and innovation are paramount to sustainability. Now is the time to place a priority on building strong support for Connecticut's economic drivers, more specifically the IFS industry. SB 582 and SB 968 support the expansion of the job creation tax credit, and therefore, help us compete for jobs, capital and talent.

Earning tax credits for the creation of new jobs is smart business. On behalf of the Connecticut IFS Cluster companies, we ask you to support SB 582 and SB 968.

Thank you.

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